

**WINDELS MARX LANE & MITTENDORF, LLP**

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Former Counsel for Source Enterprises, Inc.  
Debtor-in-Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11 Case  
: No. 06-11707 (AJG)  
:   
SOURCE ENTERPRISES, INC., et al., : **JOINTLY ADMINISTERED**  
:   
Debtors. :   
:   
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**DESIGNATION OF CONTENTS FOR INCLUSION IN  
RECORD ON APPEAL AND STATEMENT OF ISSUES ON APPEAL**

Windels Marx Lane & Mittendorf, LLP (“Windels Marx” or “Appellants”), appearing pro se, in furtherance of Appellant’s appeal from the Order of Honorable Arthur J. Gonzalez, United States Bankruptcy Judge, disallowing the Amended Final Application of Windels Marx Lane & Mittendorf, LLP, for Allowance and Payment of Compensation and Reimbursement of Expenses, (the “Order”), designates the following record and issue on appeal:

**I. STATEMENT OF ISSUE ON APPEAL AND STANDARD OF REVIEW**

(A) The standard of review for findings of fact is the “clearly erroneous” standard, as set forth in Fed. R. Bank. P. 8013.

(B) Issues of law are reviewed de novo. The issue presented on appeal is as follows:

- i) Whether the Bankruptcy Court erred in disallowing the Amended Final Application of Windels Marx Lane & Mittendorf, LLP, for Allowance and Payment of Compensation and Reimbursement of Expenses in its entirety.

**II. DESIGNATION OF RECORD ON APPEAL**

1. Order signed on 4/4/2008 Disallowing Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.
2. Unexecuted Retainer Agreement between Windels Marx and Black Enterprise/Greenwich Street Corporate Growth Partners, L.P., dated August 4, 2005. Admitted into evidence as Exhibit W-1 at hearing on Amended Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.
3. Windels Marx billing invoices to Black Enterprises/Greenwich Street for fees and disbursement covering the period August 2005 through July 31, 2006. Admitted into evidence as Exhibit W-2 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.
4. (i) Document evidencing payment of \$93,000.00 to Windels Marx by Black Enterprise/Greenwich Street via wire transfer on 12/29/2005; (ii) copy of Black Enterprise/Greenwich Street check dated 8/21/2006, in the amount of \$275,000.00 payable to Windels Marx; (iii) Windels Marx Daily Receipts Report and Billing Memorandum evidencing payments by Black Enterprise/Greenwich Street. Admitted into evidence as Exhibit W-3 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.
5. Retainer Agreement between Windels Marx and Source Entertainment, Inc., dated January 24, 2006. Admitted into evidence as Exhibit W-4 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

6. Retainer Agreement between Windels Marx and Source Enterprises, Inc., dated January 24, 2006. Admitted into evidence as Exhibit W-5 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

7. Windels Marx billing invoices to The Source Magazine for fees and disbursements covering the period January, 2006 through July 2006. Admitted into evidence as Exhibit W-6 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

8. Application for Nunc Pro Tunc Retention of Attorneys in Chapter 11 Case. Admitted into evidence as Exhibit W-7 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

9. Amended Application of Windels Marx Lane & Mittendorf, LLP, for a Final Award of Compensation and Reimbursement of Expenses. Admitted into evidence as Exhibit W-8 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

10. Windels Marx Client Matter Inquiry regarding Black Enterprise/Greenwich Street dated November 26, 2007. Admitted into evidence as Exhibit W-9 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

11. Windels Marx Client Matter Inquiry regarding The Source Magazine, dated October 30, 2007. Admitted into evidence as Exhibit W-10 at hearing on Amended Final

Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

12. September 25, 2006 email from Maria Vitale-Rullo on behalf of Charles E. Simpson forwarding clean and black-lined versions of Plan of Reorganization. Admitted into evidence as Exhibit W-11 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

13. Statement of Fees and Disbursements of Windels Marx Lane & Mittendorf, LLP, for Period August 1, 2006 through October 31, 2006. Admitted into evidence as Exhibit W-12 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

14. Statement of Fees and Disbursements of Windels Marx Lane & Mittendorf, LLP, for Period November 1, 2006 through November 30, 2006. Admitted into evidence as Exhibit W-13 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

15. September 22, 2006 email from J. Gregory St. Clair to Charles E. Simpson. Admitted into evidence as Exhibit W-14 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

16. November 27, 2007 letter from Eric M. Davis, Esq., to Hon. Arthur J. Gonzalez. Admitted into evidence as Exhibit W-15 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

17. August 4, 2006 memorandum from Ed Williams and Jeffrey Scott to Angelique Mitchell regarding Loan to Source Enterprises. Admitted into evidence as Exhibit W-16 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

18. Objection to Application of Windels Marx Lane and Mittendorf, LLP, for a Final Award of Compensation and Reimbursement of Expenses for the Period July 27, 2006 through February 28, 2007 dated July 22, 2007, and filed by Skadden, Arps, Slate, Meagher and Flom, LLP. Admitted into evidence as Exhibit W-17 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

19. Black Enterprise/Greenwich Street Plan of Action Regarding Involuntary Bankruptcy Filing. Admitted into evidence as Exhibit W-18 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

20. December 5, 2007 letter from Eric M. Davis, Esq., to Craig Murphy, Esq., and Regina Griffin, Esq., with attachments. Admitted into evidence as Exhibit W-19 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

21. December 7, 2007 letter from Miriam H. Martin, Esq., to Craig Murphy, Esq., and Regina Griffin, Esq., with attachments. Admitted into evidence as Exhibit W-20 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

22. Description of The Source's Second Follow-on Investment. Admitted into evidence as Exhibit W-21 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

23. October 17, 2006 email from Kristine M. Shryock to J. Gregory St. Clair. Admitted into evidence as Exhibit W-22 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

24. Application for Retention of Attorneys in Involuntary Chapter 7 Case, dated August 17, 2006. Admitted into evidence as Exhibit BE/GS-1 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

25. Proof of Claim dated July 13, 2007, filed by Windels Marx in Source Entertainment, Inc., chapter 11 case. Admitted into evidence as Exhibit BE/GS-2 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

26. Amended Proof of Claim dated August 17, 2007, filed by Windels Marx in Source Entertainment, Inc., chapter 11 case. Admitted into evidence as Exhibit BE/GS-3 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

27. Windels Marx Client Matter Inquiry regarding Black Enterprise/Greenwich Street dated September 1, 2006. Admitted into evidence as Exhibit BE/GS-4 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

28. Transcript of hearing held on November 8, 2006 regarding interim compensation motion in. Admitted into evidence as Exhibit BE/GS-5 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

29. Application for an Order Authorizing Windels Marx Lane & Mittendorf, LLP, to Withdraw as Counsel for the Debtor, dated January 12, 2007. Admitted into evidence as Exhibit BE/GS-6 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

30. Objection of Windels Marx Lane & Mittendorf, LLP, with respect to the Proposed Fourth Amended Plan of Reorganization of the Source Debtors, dated September 24, 2007. Admitted into evidence as Exhibit BE/GS-7 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

31. Interim Order Authorizing Secured Financing Pursuant to Section 364 of the Bankruptcy Code, So-Ordered by Hon. Arthur J. Gonzalez on October 13, 2006. Admitted into evidence as Exhibit BE/GS-8 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

32. Transcript of hearing held on October 5, 2006, regarding motion for interim financing. Admitted into evidence as Exhibit BE/GS-9 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

33. October 6, 2006 email exchange between Charles E. Simpson, Esq., and J. Gregory St. Clair, Esq., regarding Source Interim Compensation Order. Admitted into evidence

as Exhibit BE/GS-10 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

34. Transcript of 341 Meeting of Creditors held on November 3, 2006. Admitted into evidence as Exhibit BE/GS-11 at hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses.

35. Transcript of hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses, held on November 28, 2007. Transcript filed on 12/4/2007, Docket No. 467.

36. Transcript of hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses, held on November 29, 2007. Transcript filed on 12/4/2007, Docket No. 466.

37. Transcript of hearing on Amended Final Application of Windels Marx Lane & Mittendorf, LLP for Allowance and Payment of Compensation and Reimbursement of Expenses, held on December 10, 2007. Transcript filed on 1/28/2008, Docket No. 480.

38. Affidavit of John P. McNicholas, Esq., in connection with the Motion for Administrative Order Under Local Rule 2016-1 and 11 U.S.C. secs. 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated and docketed December 5, 2007, Docket No. 463.

39. Supplemental Affidavit of John P. McNicholas, Esq. in connection with the Motion for Administrative Order Under Local Rule 2016-1 and 11 U.S.C. secs. 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated and docketed December 7, 2007, Docket No. 469.



40. Affidavit of Thomas R. Califano, Esq., in connection with the Motion for Administrative Order Under Local Rule 2016-1 and 11 U.S.C. secs. 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated and docketed December 7, 2007, Docket No. 470.

Dated: New York, New York  
April 21, 2008

**WINDELS, MARX, LANE & MITTENDORF**

By: 

**Charles E. Simpson**  
**A Member of the Firm**

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Appearing *Pro Se*